

STAFF REPORT
City of Lancaster

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09/27/16
MVB

Date: September 27, 2016

To: Mayor Parris and City Council Members

From: Elizabeth Brubaker, Director of Housing & Neighborhood Revitalization

Subject: **Acquisition of Real Property located at 44503 2nd Street East**

Recommendation:

Approve agreement for acquisition of real property between the City of Lancaster and Federal National Mortgage Association for property located at 44503 2nd Street East, as part of the approved Neighborhood Stabilization Program (NSP 1).

Fiscal Impact:

The purchase price of \$140,000, plus closing, rehabilitation and maintenance costs, will come from the Community Development Block Grant (CDBG) Fund's Fiscal Year 2015-2016 Neighborhood Stabilization Program Account No. 363-4542-770.

Background:

In September 2008, pursuant to the Housing Economic Recovery Act of 2008, the City Council received and appropriated \$6,983,533 for the Neighborhood Stabilization Program from the U.S. Department of Housing and Urban Development. The City receives Program Income revenues from the sales of NSP 1 homes, which must be used to acquire, rehabilitate and resell the foreclosed homes, in the expanded areas, until funds are completely expended.

Various local commercial lending institutions (the "Banks") own and are contracting with real estate firms to represent them in the sale of distressed properties. Staff has since determined based on comparable sales that the purchase price is fair and equitable for both the buyer and seller.

Attachment:

Site Map